GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:6184
ANSWERED ON:07.05.2002
PROCUREMENT SCHEME OF UREA
SULTAN SALAHUDDIN OWAISI

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the attention of the Government has been drawn to the news item captioned "Steps to lower urea subsidy costs mooted" appearing in the 'Hindustan Times' dated April 13,2002;

(b) if so, the facts of the matter reported therein;

(c) whether by introducing the merit based procurement scheme and working optimum quantity of imports of Urea can save Rs.650 crore and Rs.1725 crore respectively;

(d) if so, whether these two schemes have been included in the suggestions made by the Shipping Ministry for discussion within the Group of Ministers;

(e) if so, the details thereof;

(f) whether by changing the production mix among the 32 domestic Urea plants the subsidy burden can come down; and (g) if so, the steps taken by the Government in this regard ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI S. B. MOOKHERJEE)

(a) : Yes, Sir.

(b) to (g) : A Group of Ministers (GOM) has been constituted on the directions ofCabinet Committee of Economic Affairs (CCEA)to examine the proposals for VII(1.7.1997 to 31.3.2000) and VIII (1.4.2000 to 31.3.2002 or till new pricing policy comesinto existence, whichever is earlier) pricing periods under Retention Price Scheme and giveits recommendations. GOM has also been asked to consider the Expenditure Reforms Commission's report and give its recommendations. Formulation of these policy parameters for urea units is under examination and would be announced after approval of the same by the competent authority.